

DRAFT MEETING SUMMARY (v.0)

DRAFT - NOT APPROVED BY COMMITTEE

HANFORD ADVISORY BOARD
FINANCE AND CONTRACT MANAGEMENT COMMITTEE
March 29, 2001
Richland, WA

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This is only a summary of issues and actions in this meeting. It may not represent the fullness of ideas discussed or opinions given, and should not be used as a substitute for actual public involvement or public comment on any particular topic unless specifically identified as such.

Explanation of Changes in Agenda

Gerry Pollet, chair pro-tem of the committee, initiated the meeting by stating the goal of the day was to produce two pieces of advice, one relating to budget and one addressing contracts. The meeting's agenda had included time for the U.S. Department of Energy-Richland (DOE-RL) to explain to the committee the difference between this year's estimate of a compliance gap (approximately \$162 million for 2002) and last year's estimate. Marla Marvin from DOE-RL was present to explain that DOE-Headquarters (DOE-HQ) had issued an order that field offices were not to publicly discuss the budget, which is still being decided. Ms. Marvin apologized for the late notice and reported that a detailed budget will be released on April 9, 2001, after which time DOE-RL would be able to discuss the budget. She added that DOE-RL will submit its budget request to DOE-HQ in early May, instead of mid-April as usual.

Committee Discussion

The committee discussed options for producing timely advice that could influence the DOE budget request. The committee was disturbed that it would not be able to issue advice based on the April 9, 2001 budget numbers until the June HAB meeting, a month after DOE-RL will have submitted their budget request. The committee expressed frustration at not knowing how work will be prioritized, regardless of the target budget numbers, because prioritization is an internal decision made by DOE-RL. The committee discussed how to deal with the unknown budget situation, including the possibility of a one-day HAB meeting in May.

Regulator Perspectives

- Dennis Faulk, Environmental Protection Agency (EPA), suggested transmitting last year's budget advice. He urged the committee to request a firm budget release date from DOE-RL for the 2003 budget to ensure thorough public and regulator review; EPA only has two weeks to outline their expectations in a letter to DOE-RL after the budget is revealed.
- The committee then asked Ron Skinnarland, Washington State Department of Ecology (Ecology), to summarize letters sent recently by Washington State officials to the federal administration about the budget. Mr. Skinnarland also mentioned the letter sent to the President by the Association of Attorney Generals. The State is concerned with keeping the River Corridor, Vitrification Plant, and Tank Waste Treatment work on schedule, so the intention of the letters was to send a clear message about that.
- Mr. Skinnarland suggested that the HAB be realistic about the budget, and communicate to the new head of Environmental Management about maintaining Hanford cleanup and what the priorities are. He also advised the committee to start thinking about whether any TPA milestones could slip. Mr. Skinnarland, added that Ecology is concerned about contracts, and specifically whether the River Corridor work scope will be reduced since the other three contracts are in place. Ecology would like the HAB to produce advice about the public process and the need for funding. Mr. Skinnarland supported using last year's advice as a starting point.
- Dennis Faulk added that EPA plans to outline its priorities to DOE and will attempt to enforce them. He identified three trouble areas: spent fuel is over budget, groundwater cleanup needs extensive upgrades that aren't funded right now, and the Fast Flux Test Facility (FFTF).

The committee discussed the possibility of reprioritizing TPA milestones. Some members thought this would be an acknowledgement of reality while others thought that since the TPA already represents priorities and requires DOE-RL to produce a priority list, the HAB should reiterate this obligation. The committee also discussed the matrix it had requested from DOE-RL at the previous meeting (but not received). The committee had hoped that such a matrix could be used as a tool for determining how best to deal with whatever funding reality occurs, and the committee debated including the matrix with either budget or contract advice.

Committee Discussion of DOE-RL and DOE-ORP Budget Requests

The committee then discussed DOE-RL's budget request, expressing anger that \$823 million is needed for full TPA compliance (identified by Wade Ballard at the March 2001 public budget meeting in Portland) but DOE-RL only requested \$762 million from DOE-HQ. At this point the committee started revising the draft budget advice. Jennifer Sands, U.S. Department of Energy – Office of River Protection (DOE-ORP), was present to clarify dollar amounts relating to DOE-ORP's budget requests and contract values. She expressed concern that the HAB's advice not undermine DOE-ORP's ability to fight for budget money for the vitrification plant.

Drafting of Advice on Budget and Contracts

The committee spent the remainder of the meeting drafting the budget and contract advice. Committee members decided not to include endnotes in the advice. In the interest of producing consensus-approved advice about contracts during the current meeting (allowing the advice to go before the full Board next week), the committee limited its draft contract advice to items to the River Corridor contract.

The committee successfully produced two pieces of advice (one on budget, and one on the River Corridor contract) to be submitted to the full Board at the April meeting.

Handouts

- Christine Gregoire's letter to Doc Hastings re: Funding for Hanford Cleanup; March 19, 2001.
- Letter to President Bush from Gary Locke and Christine Gregoire; March 14, 2001.
- HAB Consensus Advice #94, Subject: U.S. Department of Energy Fiscal Year 2001 Budget; March 26, 1999.
- HAB Consensus Advice #107, Subject: U.S. Department of Energy – Richland FY 2002 Integrated Priority List; April 20, 2000.
- Hanford Advisory Board Past Advice Version 1; March 2001.
- Clark Gibbs' Presolicitation Conference River Corridor Contract Presentation; March 20, 2001.
- Finance and Contracts Management Committee Draft Meeting Agenda, version 2 Revised March 29, 2001.
- "Budget Advice FY 2002 and 2003 (Preliminary Draft from Finance and Contract Management Committee – for Committee Review)," Strikethrough version; March 29, 2001.
- "Budget Advice FY 2002 and 2003 (Preliminary Draft from Finance and Contract Management Committee – for Committee Review)," Changes accepted from Strikethrough version; March 29, 2001.
- Finance and Contract Management Committee's Comments Received on Draft Contract Advice, and Comments Received on Draft Budget Advice, compiled from e-mails by Susan Wright; March 29, 2001.
- Attachment Comments on Draft Budget Advice – Attachment #1 listing Denny Newland's comments, Attachment #2 listing Susan Leckband's comments; March 29, 2001.
- Gerry Pollet's Draft Advice on Principles for New and Existing Contracts for Hanford Clean-Up (Not yet committee draft to Board, Based on flip charts with consensus principles and meetings notes from Feb and March committee meetings); March 29, 2001.
- Finance and Contract Management Committee Agenda for February 28, 2001 meeting
- Finance and Contract Management Committee Follow-up Items from February 28, 2001 meeting, including DOE-ORP Contract Extension with CH2M Hill, DOE-RL

Contract Extension with Fluor, and Issues the F&C Committee Requests Be Addressed by DOE-RL at the March 7th F&C Meeting

- Finance and Contract Management Committee's Principles of Advice from March 7, 2001 Meeting.
- Finance and Contract Management Committee Meeting Flip Chart Notes from March 7, 2001.
- Budget Advice FY 2002 and 2003 (Preliminary Draft from Finance and Contract Management Committee – for Committee Review), double-spaced version distributed to committee at 2 pm March 29, 2001.
- Budget Advice FY 2002 and 2003 (Preliminary Draft from Finance and Contract Management Committee – for Committee Review), double-spaced version labeled “Final Draft” at top, distributed to committee at 3:00 pm March 29, 2001.
- Draft Advice on Principles for New and Existing Contracts for Hanford Clean-Up, double-spaced version containing advice only on River Corridor Contract, distributed to committee at 3:30 pm March 29, 2001.
- Susan Wright's Notes on Budget Advice; March 29, 2001.

Attendees

HAB Members and Alternates

Abe Greenburg	Harold Heacock	Charles Kilbury
Robert Larson	Susan Leckband	Jeff Luke
Gerry Pollet	Denny Newland	

Others

Kim Ballinger, DOE-IPI	Ron Skinnarland, Ecology	Nancy Myers, BHI
Andrea Powell, DOE-IPI	Dennis Faulk, EPA	Christina Richmond, EnviroIssues
T. Erik Olds, DOE-ORP		Susan Wright, EnviroIssues
Marla Marvin, DOE-RL		Barb Wise, FH
Gail McClure, DOE-RL		Chris Chamberlain, Nuvotec
Jennifer Sands, DOE-ORP		Peter Bengston, PNNL
		John Stang, Tri City Herald